

To accelerate the replacement of diesel school buses across Virginia's public school districts, the Virginia Department of Environmental Quality (DEQ) is now accepting round two applications for battery electric and propane school buses through the Clean School Bus Program.

A total of \$10,329,854 from the Volkswagen Environmental Mitigation Trust for State Beneficiaries (State Trust) is available: \$9.25 million for battery electric buses, and \$1,079,854 for propane buses (includes the balance of funds for propane buses from round 1). These funds are being used offset the price difference between a new battery electric bus and an equivalent new diesel bus, or the price difference between a propane bus and an equivalent new diesel bus.

The State Trust was established following settlements resolving allegations that Volkswagen violated the Clean Air Act through the use of emission testing defeat devices designed to cheat on federal emissions tests. More than 16,000 excessively polluting vehicles were sold in Virginia, and produced over 2,000 tons of excess nitrogen oxides in violation of federal pollution standards.

Important dates

- Oct. 15, 2021 – Application opens
- Oct. 26, 2021 – 10 - 11 a.m. Webinar for potential applicants (Register [here](#))
- Oct. 26, 2021 – 2 - 3 p.m. Webinar for potential applicants (Register [here](#))
- Nov. 4, 2021 – 10 a.m. – 12 p.m. Assessing Charging Infrastructure Needs for Electric School Buses: A Workshop for Clean School Bus Program Applicants hosted the Virginia Department of Education:
 - Join Zoom Meeting
 - § <https://doe-virginia-gov.zoom.us/j/83707193311?pwd=RHJxbWZ5UnlrMzA4dDhFc0xHUWprQT09>
 - § Meeting ID: 837 0719 3311
 - § Passcode: 967280
- Feb. 1, 2022 – Applications due by 5 p.m.
- February 2022 – Intent to award notifications issued to successful applicants
- March 2022 – Finalize awards

Note that DEQ reserves the right to adjust the dates listed above, if necessary. This Request for Applications (RFA) provides an overview of the application timeline and process, information on applicant and project eligibility, available funding, reimbursement requirements, scoring and selection criteria, and award process. An eligible applicant may submit one application for either battery electric buses or for propane buses. Instructions on how to apply are provided in the applications. The RFA, applications, and required attachments are available on DEQ's [VW Settlement webpage](#):

- Clean School Bus Program Request for Applications
- Electric School Bus Application
 - § Attachment A-1- Project Budget and Fleet Data Spreadsheet
 - § Attachment C - Certification of Board Approval Form
- Propane School Bus Application
 - § Attachment A-2-Project Budget and Fleet Data Spreadsheet
 - § Attachment C - Certification of Board Approval Form

An applicant may only submit one application: An application for a minimum of two or a maximum of 10 new battery electric buses OR new propane buses. Completed applications must be electronically submitted to VWmitigation@DEQ.virginia.gov by 5 p.m. on Feb. 1, 2022.

Eligible Applicants

Applicant must be a Virginia public school district. (Private schools, public charter schools, private transportation companies and non-profit agencies are not eligible to apply.) *A public school district*

awarded funds by DEQ in August to replace diesel buses are eligible to apply for additional funding if the buses from the previous award have been ordered.

Eligible Projects

New battery electric or propane replacement buses must meet the following criteria:

- A Type C electric or propane bus
- Two bus minimum
- 10 bus maximum
- For an electric bus – Have a current model year or one model year prior
- For a propane bus – Have a current engine model year or one engine model year prior
- Operational within 18 months of award date
- Meet state and federal safety standards
- Meet Virginia Public School Bus Specifications, Effective July 1, 2019
- Owned and operated by the school district for a minimum of 10 years

Each eligible diesel bus being replaced by a new electric or propane bus must meet the following criteria:

- A Type C or D diesel school bus powered by a 2009 or older engine model year
- Bus replacement priority for engine model years is as follows:
 1. Pre-1998
 2. 1998-2003
 3. 2004-2006
 4. 2007-2009
- Owned and operated by the school district without any liens on the title for a minimum of 2 years (i.e., the owner of the bus, for purposes of this program, is defined as the entity holding title to the vehicle through a DMV registration)
- Operated on a regular daily route to and from a school during the regular school year
- Be removed from service and scrapped within 3 months (90 days) from delivery of the new bus
- Certification of scrappage is required as well as additional documentation for proof of scrappage

Available Funding

Funds are available to offset the price difference between a new battery electric bus and an equivalent new diesel bus, or a propane bus and an equivalent new diesel bus. Public school districts may be reimbursed up to:

- \$300,000 per new battery electric bus, including extended battery warranty, and associated charger and customer-side charger installation.
- \$15,000 per a new propane bus. Note: State Trust funds cannot be used for propane fueling infrastructure.

If funding is not fully subscribed for propane buses, the remaining funds may be used to fund electric buses. If funding is not fully subscribed for electric buses, the remaining funds may be used to fund propane buses.

Reimbursement Process

This is a reimbursement program. Applicants awarded funding are responsible for all project costs prior to reimbursement. Applicants awarded funding may be reimbursed for eligible costs if all requirements for reimbursement have been satisfied. Requirements include but are not limited to the following:

- Submission of the Disclosure and Self-Certification of Funds Form

- Signed and dated invoices to the Commonwealth including a complete package detailing the project billable budgeted items
- Submission and acceptance of proof that jurisdictional public procurement and contracting laws were followed
- Submission and acceptance of proof of purchase of each new electric school bus and associated charger or each new propane school bus. The date of the purchase cannot pre-date the date of the executed agreement with DEQ. The proof of purchase may be a procurement request, purchase order, or any other document that clearly shows a transaction being initiated between the recipient and a school bus vendor on purchaser letterhead and include the following information for each bus:
 1. Purchaser name, address, and phone number
 2. Vendor name, address, and phone number
 3. Vehicle make, model, fuel type, engine model year, and purchase price
 4. Purchase order date
 5. Vehicle delivery date estimate
- Submission and acceptance of proof of payment of each new battery electric bus and each associated charger or new propane bus by the public school district i.e., copies of original official paid invoices and proof of payment
- Proof of delivery of each new battery electric bus and each associated charger or each new propane bus (e.g., dated bill of lading)
- Submission and acceptance of proof that each battery electric bus and each associated charger is operational, or that each propane bus and associated propane fueling are operational
- Submission and acceptance of proof of DMV registration of each new bus
- Submission and acceptance of proof of destruction of each diesel bus

Ineligible costs include any cost not identified as “eligible” such as:

- Administrative costs
- Purchases paid prior to official notice of DEQ project authorization
- Purchases not included in the approved project scope
- Purchases that were not compliant with local and/or state procurement laws
- Any eligible project costs that the applicant will receive payment for and/or at no cost from another source or under another program (i.e. “double dipping”)
- Utility side charger installation costs
- Operating expenses and fuel costs

Evaluation Criteria and Scoring

Each eligible diesel replacement school bus included in an application will be scored based on the evaluation criteria below. There is no minimum passing score. School buses will be ranked in order of score and be recommended for funding until all funds available are exhausted.

Evaluation Criteria

1. Age of School Bus

Each individual school bus is evaluated on age of the bus engine model year with priority given to oldest buses. Age of School Bus is defined as current calendar year minus engine model year. For example in calendar year 2022, the score for a model year 2000 school bus is:

$$2022 - 2000 = 22$$

Score: 22

2. Annual Bus Mileage

Each individual school bus is evaluated based on the annual miles driven for the last full pre-pandemic school year, 2018-2019 as reported in the required fleet data sheet. The score is determined by dividing the annual miles by 1,000 and rounding to two decimal places. For example, a school bus driven 12,388 miles last year is assigned a score as follows:

$$12,388 / 1,000 = 12.388$$

Score: 12.39

3. Free and Reduced Priced Lunch

Each school bus is evaluated based on the percentage of students eligible to receive free and/or reduced (F/R) lunch as reported in the Virginia Department of Education 2019-2020 National School Lunch Program Free and Reduced Eligibility Report. The F/R lunch percentage for each respective school district is divided by 100, rounded to two decimal places, and will be used as a multiplication factor applied to the sum of the age and mileage scores. For example, using the examples for the above criteria, a bus in a school district with a F/R lunch percentage of 91.08% is assigned a score as follows:

$$91.08 / 100 = 0.9108$$

Score: 0.91

Overall Score = (Age of School Bus score + Annual Bus Mileage score) x F/R lunch score

Using the examples for the above criteria, a bus in a school district is assigned an overall bus score as follows:

$$(22 + 12.39) \times 0.91 = \mathbf{31.2949}$$

Bus Score: 31.29

- If the score for two or more individual buses are tied and there are insufficient funds to recommend a proposed award for those buses, ties will be broken in the following order:
 1. Older buses based on the Age of Bus will be ranked higher. For example, if a 1980 and 1982 bus are tied, the 1980 bus will be ranked higher.
 2. If buses are still tied after tiebreaker #1, the bus with the highest annual mileage will be ranked higher.
 3. If buses are still tied after tiebreakers #1 and #2, ties will be broken using an objective tiebreaker such as a random draw.
- Please note that DEQ may select parts of an application for funding and may offer to fund less than the amount requested in the application.

Notice of Awards

DEQ will notify applicants selected for funding. If an applicant declines the funding, DEQ will notify the applicant next in line for funding.